BOSTON REDEVELOPMENT AUTHORITY

3695

REPORT AND DECISION ON THE APPLICATION OF FENWAY ARTISTS STUDIOS FOR THE AUTHORIZATION AND APPROVAL OF A PROJECT UNDER MASSACHUSETTS GENERAL LAWS (TER. ED.) CHAPTER 121A AS AMENDED, AND CHAPTER 652 OF THE ACTS OF 1960, TO BE UNDERTAKEN AND CARRIED OUT BY A LIMITED PARTNERSHIP UNDER M.G.L. CHAPTER 180, AND APPROVAL TO ACT AS AN URBAN REDEVELOPMENT LIMITED PARTNERSHIP UNDER SAID CHAPTER 121A

The Hearing. A public hearing was held at 2 p.m. on October 5. 1978, in the offices of the Boston Redevelopment Authority (hereinafter called the "Authority"), at the New City Hall, Room 921, Boston, Massachusetts 02201, by the Authority on an Application, dated September 5, 1978, (hereinafter called the "Application"), filed by Fenway Artists Studios for authorization and approval of a redevelopment project under Chapter 121A of the General Laws of the Commonwealth of Massachusetts and Chapter 652 of the Acts of 1960, as amended, (hereinafter called the "Project"), due notice of said hearing having been given previously by publication on September 25, 1978, and October 2, 1978, in the Boston Herald American, a daily newspaper of general circulation published in Boston, and mailing postage prepaid in accordance with Rule 8 of the Rules and Regulations of the Authority for securing approval of Chapter 121A projects, and in accordance with the provisions of Section 13 of Chapter 652 of the Acts of 1960, as amended. Robert L. Farrell. Chairman of the Authority, James G. Colbert, Joseph J. Walsh, James K. Flaherty and James E. Cofield, Jr., members of the Authority, were present throughout the hearing.

B. The Project. The Project Area consists of 17,785 square feet of land in two parcels and the building thereon. The building consists of 45 double height studios, each entered from a balcony, known as 30 Ipswich Street. The present owner of the Project Area is the Fenway Studio Trust, Arthur B. Blackett and Bernard A. G. Taradash, Trustees. The Project Area is bounded on the north by Ipswich Street and on the south, east, west and southwest by land of said Trustees. A full metes and bounds description is contained in the Application. The Project consists of acquisition, renovation and replacement of the mechanical systems, roof and brick work, and operation and maintenance of the Project Area by the 121A Entity of 47 units of artists studios. The units will be left entirely in their present condition on the interior.

The building consists of forty-three (43) double-height studios, each entered from a balcony, and four (4) single studios in a semibasement area. The floor plan is designed to provide enormous, unobstructed glass walls, admitting the steady north light desirable for artists.

C. Authority Action. In passing upon the Application, the Authority has considered the Application itself, all documents, plans and exhibits filed therewith or referred to therein, the oral evidence presented at the hearing, the exhibits offered in evidence at the hearing, arguments and statements made at the hearing and additional statements submitted subsequent to the hearing.

The Project as defined in the Application constitutes a Project within the meaning of Section 1 of Chapter 121A of the General Laws, providing as it does, for the purchase, renovation and replacement and maintenance in a blighted, decadent or substandard area of a decent, safe and sanitary residential building.

D. Project Area. The Project Area is located within the Fenway Urban Renewal Area. In the opinion of the Applicant, the building itself is seriously decadent and substandard and would not be rehabilitated by the ordinary operations of private enterprise. Its mechanical systems are entirely outmoded and in a dangerous state of disrepair. The plumbing, heating and electrical systems need repair or complete replacement and the roof and masonry need extensive repairs. None of this work can be accomplished by the normal workings of the real estate market because of the peculiar design of the building and the nature of its tenants. It was built especially for artists by philanthropists in 1905 and the working space does not lend itself to rehabilitation for any other market. The elevator stops on alternate floors (the balcony level), and there are no kitchens or toilet facilities within many of the units (there are hallway toilets), and there is no easy way to extend any unit to accommodate modern plumbing without compromising its major asset, the large daylight work space.

The building is therefore ideal for its original and present use, the provision of much needed studio space for artists and has in fact been continuously occupied entirely by artists since its construction.

This artistic community which needs and has used this unique space is generally of limited means and in fact cannot afford the rents that would be necessary to carry the costs necessary to rebuild the entire interior of the building so to provide modern marketable units as would be necessary without the benefits of Chapter 121A. In the process, Boston would loose a unique resource whose importance as a cultural asset has been recognized by its nomination for the National Register of Historic Places by the Massachusetts Historic Commission and its preliminary approval of a \$60,000 rehabilitation grant from the same Commission.

Without the aids available under G. L. Chapter 121A as is evidenced by the requirement of the mortgage lender attached to the Application, that the real estate taxes be limited to contain percentages of the project's estimated gross annual income, which percentage levels can only be lawfully agreed to by the City of Boston under G. L. Chapter 121A and Chapter 6A. These conditions and other factors referred to in the Application and this Report and Decision warrant the carrying out of the Project in accordance with Chapter 121A. The proposal constitutes a "project" within the meaning of that statute.

For these reasons it is found that the Project Area is substandard and decadent area within the meaning of Chapter 121A, as amended.

It is unlikely that the conditions will be remedied by the ordinary

operations of private or public enterprise.

The Project will provide substantial financial return to the City of Boston. The 6A Tax Agreement attached to the Application sets forth the Agreement to be entered into between the City of Boston and the Applicants. This Agreement provides in substance that there be paid to the City of Boston in lieu of real estate taxes for a period of fifteen (15) fifteen years after approval of the Project, an amount over the excise payable under General Laws, Chapter 121A, section 10. For the period from initial loan closing on the project through calendar year 1981 payments in lieu of taxes will be calculated on the basis of the minimum excise tax formula as specified in the 121A Statute. 5% of gross rental income plus \$10 per \$1,000 of fair cash value of the property, commencing in calendar year 1982, 20% of gross rental income, 1983, 22% and in each year thereafter the rate will increase at 10% until it reaches a maximum of 28%. All tax arrearages, including interest on the property, will be paid to the City at the time of transfer. Cost of the Project. In the opinion of the Authority, the cost of the Project has been realistically estimated in the Application and the Project is praticable. The estimated cost is approximately six hundred fifty thousand dollars (\$650,000). A loan in the amount of four hundred eighty-five thousand dollars (\$485,000) at 9 3/4% has been preliminarily approved by the Mutual Bank for Savings. The equity needed for the project will come from additional contributions by the General Partner,

grants and by limited partner investors.

The following are all the persons, natural or corporate, who have or will have, directly or indirectly, any beneficial interest in the Project prior to its completion:

Fenway Artists Studios

Artists for the Preservation of the Fenway Studios, Inc.,

Katherine M. Gardner, President

Jan Gendron, Treasurer

Robert J. Grady, Clerk

Directors: Jack N. Kramer

Irene Burns Robert Cormier Peter Williams

Paul-Kurt Ackermann Mutual Bank for Savings

The Application contains the Corporate Articles of Organization for the Artists for the Preservation of the Fenway Studios, Inc., illustrating the corporate purposes and structure and organizational methods persuades the Authority that the financial program is realistic.

- F. <u>Consistency with Master Plan</u>. The Project does not conflict with the Master Plan for the City of Boston.
- G. Effect of the Project. The Project will not be in any way detrimental to the best interests of the public or the City or to the public safety or convenience or be inconsistent with the most suitable development of the City. The Project will, in fact, forward the best interests of the City and will constitute a public use and benefit. The structure to be rehabilitated under the Project has been reviewed by the Design

Review Staff of the Authority and is subject to further design review should the proposed design change in any way.

The carrying out of the Project will not involve the relocation of any families.

The Project Area does not include land within any location approved by the State Department of Public Works for the extension of the Massaachusetts Turnpike into the City of Boston.

H. Environmental Considerations. To conform with the provisions of Section 6 of Chapter 30 of the General Laws (as inserted by Chapter 781 of the Acts of 1972) and the Regulations thereunder as adopted by the Authority on April 11, 1974, the Project must comply with the City of Boston Air Pollution Control Commission's Regulations for the Control of Atmospheric Pollution and Regulations for the Control of Noise during all phases of construction activities.

The Project is in compliance with the environmental review standards set forth below.

- 1. The Project does not adversely affect any recreational areas or any aesthetic values in the surrounding area.
- No natural or man-made places are affected by the Project.
- 3. The Project does not adversely affect archeological or historical structures or features. It is expected that the Project will enhance the historic structures in the Area.

- 4. The Project does not affect the potential use, extraction or conservation of a scarce natural resource.
- 5. The Project Area is urban and therefore does not serve as a habitat for wildlife or fish species.
- 6. Being urban, the Project has no impact or any wilderness areas.
- 7. The Project will not require deviations from the Zoning
 Code and the Building Code of the City of Boston.
- The Project does require certification, authorization or issuance of a permit by any local, State or Federal environmental control agency.
- 9. The Project does not involve the disposal of potentially hazardous materials.
- 10. The Project does not involve the construction of facilities in a flood plain.
- 11. The Project does not result in the generation of a significant amount of noise and dust.
- 12. The Project does not result in a deleterious effect on the quality of any portion of the State's air or water resources.
- 13. The Project does not affect an area of important scenic value. The Project does affect an area with significant architectural attributes and the renovation of said building will further preserve an architectural asset to the community.

As a result of the investigation and Report of the Authority's staff and of its own knowledge, the Authority hereby determines that the Project will not cause environmental damage and that the Secretary of the Authority be instructed to file such with said Executive Office of Environmental Affairs its Report and finding in accordance with the Authority's Rules and Regulations.

I. Minimum Standards. The minimum standards for financing, construction, maintenance and improvements of the Project as set forth in Exhibit R filed with and attached to the Application, are hereby adopted and imposed as Rules and Regulations (in addition to those hereinafter adopted and imposed) applicable to this Project for the same period as the Project is subject to the provisions of Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960, as amended.

In addition to the minimum standards set forth in Exhibit R, the
Authority hereby requires that the Applicants, prior to obtaining a building
permit, (1) enter into a Regulatory Agreement with the Authority pursuant to the requirements of General Laws, Chapter 121A, Section 18C,
and containing such other terms and conditions as the Authority may in
its discretion deem necessary and appropriate; (2) submit to the Authority
for its review and approval such plans and specifications for the Project
as the Authority may require and accept such changes and modifications
thereto as the Authority may deem necessary or appropriate; and (3)

adhere to such design review controls and requirements as the Authority may in its discretion impose.

The carrying out of the Project will not require a permit for the erection, maintenance and use of a garage within 500 feet of one or more buildings occupied in whole or in part as a public or private school having more than 50 pupils, or as a public or private hospital having more than 25 beds, or as a church.

The Project does not require a declaration that the buildings contemplated constitute a separate building for the purpose of General Laws, Chapter 138.

- J. Zoning and Building Code Deviations. The current approved use of the building is as "studios" and all the units have been continuously used since the construction of the building for both residential and working space for artists. Those uses will continue and without change as to density, occupancy or other zoning considerations. Therefore, no zoning deviation is required except to formally establish this pre-existing use, which is not clearly defined under zoning regulations.
- K. <u>Duration of Period of Tax Exemption</u>. The Project shall be entitled to the base term of fifteen (15) years for tax exemption, pursuant to the provision of G. L. Chapter 121A as amended by the Acts of 1975.
- L. <u>Decision</u>. For all of the reasons set forth in the foregoing report, the Authority hereby approves the undertakings by the Applicant of the

Project pursuant to Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960, subject to the provisions set forth in this Report and Decision.

MEMORANDUM

November 16, 1978

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT J. RYAN, DIRECTOR

SUBJECT: REPORT AND DECISION ON THE CHAPTER 121A

APPLICATION OF FENWAY ARTISTS STUDIOS

On October 5, 1978, the Authority conducted a public hearing with respect to the above-captioned Application. At that meeting the Board heard a presentation by the Applicants.

The project consists of the acquisition of the site at 30 Ipswich Street and rehabilitation, operation and maintenance of 47 artists' studios.

The staff has examined the application and found that it contains sufficient evidence in support of the Project to permit the Authority to make thoses findings and determinations necessary to proceed with the approval of the Project.

An appropriate vote follows:

VOTED:

that the document presented at this meeting entitled, "Report and Decision on the Application of the Fenway Artists Studios for the Authorization and Approval of a Project under Massachusetts General Laws (Ter. Ed.) Chapter 121A as Amended, and Chapter 652 of the Acts of 1960 to be Undertaken and Carried Out by a Limited Partnership under M.G.L. Chapter 180 and Approval to Act as an Urban Redevelopment Limited Partnership under said Chapter 121A," be and is hereby approved and adopted.